GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:4420
ANSWERED ON:24.04.2008
SHORTAGE OF FERTILIZERS
Veerendra Kumar Shri M.P.

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Karnataka and Kerala are stated to be heading for a major shortage of chemical fertilizers during the ensuing Kharif season with the Union Government yet to finalise the fertilizer prices and consequently the factories going slow on production as reported in the Hindu dated February 25,2008;

(b) if so, the facts thereof;

(c) the reasons for delay in fixing quantum of subsidy on fertilizer and its price;and

(d) the steps the Union Government proposes to take to avoid shortage of fertilizers in the Southern States?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF MINES (SHRI B.K. HANDIQUE)

(a) to (d) No Sir The prices of all fertilizers under the subsidy / concession scheme have remained unchanged since 2002. There is no move at present for revision of prices of fertilizers. The quantum of subsidy is derived from the difference between the delivered price of fertilizers and Maximum Retail Prices (MRP`s) fixed by the government as well as quantity of fertilizers sold.

Urea is the only fertilizer which is under partial movement and distribution control of the Government. AN other fertilizers viz., DAP, MOP, SSP and NPK etc. are decontrolled / de-canalized since 1992. The availability of Phosphatic and Potassic fertilizers is decided by the market forces of demand and supply. Union Government ensures availability of urea at state level. State governments are responsible for its distribution within the state.